San Ju

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February 7, 1978

State Of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, Utah 84116

RE: M1 34603

San Juan County



Gentlemen:

Thank you for discussing the lease with me, and your suggestions on developing it.

Enclosed are a few pictures of the area. As you can tell, it is extremely rough terrain. It is a very arid country, but will receive hard thunderstorms at times. Also enclosed is a survey of the lease.

This lease was mined during the 50's, and was left in a very poor shape. There are wrecked trucks, junk, unplugged drill holes, collapsed buildings and other things which we hope to clean up.

The mine portals are open and there is a large bin below the adit. The tunnel is falling in, but we feel that it can be timbered and braced so that it will be safe to work in. The trash around the old camp can be carried off or buried, and we can plug the old drill holes. The road is not usable, as the storms have eroded parts away.

Our plans are to take a bulldozer to repair the road from the valley floor to the top of the mesa, and down to the mine bin. We do not anticipate the need to disturb any new areas.

We would use the existing mine portals, bins and camp site after we have made them safe and more attractive.

The San Juan County access road crosses the lease so no new roads are needed. My is a Navajo so if we need a storage area on the Reservation adjoining the lease, she has already obtained the tribe's permission.

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At this time, it appears that no new drilling will be required, as the channel is quite well defined.

There is no archeological artifacts nor evidence visible on top of this mesa, nor near the roads or mine. We would, therefore, appreciate your permission to begin mining operations, Mr. John Blake, Economic Geographer and Mr. Charles Hansen have approved our preliminary work.

Yours Truly,

Thomas E. Redd

Box 651

Blanding, Utah 84511

Thomas & Redd

TER: vhr

Enclosures: Pictures of the area

Survey map